

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1259 – SB 1380

April 17, 2013

SUMMARY OF ORIGINAL BILL: Requires at least one hour of the annual education requirement for planning commissioners to concentrate on the rights of private property owners and the relationship of those rights to the public planning process.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENTS (004671, 007252): Amendment 004671 deletes all language after the enacting clause. Changes the funding method for the Memphis Area Association of Governments (MAAG) development district to match that of the other eight development districts. Amendment 007252 adds new section to the bill as amended concerning annual education requirements as they relate to the rights of private property owners.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:

Increase Local Expenditures – \$135,900/Shelby County

Other Fiscal Impact – To the extent the Memphis Area Association of Governments development district elects to increase its per capita assessment rate to over its current limit of \$0.20, there will be an additional increase in local expenditures and an additional increase in state expenditures. Any such increases are dependent on the new level of the per capita assessment imposed on member counties of the MAAG development district.

Assumptions for the bill as amended:

- MAAG development district is composed of the following counties: Fayette, Lauderdale, Tipton, and Shelby.
- Under current law, no MAAG county is required to contribute to the development district more than \$12,500 per year. Based on their respective populations and the per capita assessment of \$0.16, the current assessment is estimated to be: \$6,146 on Fayette

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County; \$4,450 on Lauderdale County; \$9,773 on Tipton County; and \$12,500 on Shelby County (as a result of the current cap), for a total assessment of \$32,869.

- The current state appropriation under the \$0.16 per capita assessment is \$150,000.
- Changing the funding method for MAAG development district will remove the current \$12,500 that applies to Shelby County. As a result, and based on its population and per capita assessment of \$0.16, Shelby County's total assessment will increase to \$148,423.
- The recurring increase in local expenditures (Shelby County) is estimated to be \$135,923 (\$148,423 - \$12,500).
- This bill as amended will authorize the MAAG development district to increase its level of per capita assessment to over \$0.20, which it is currently unable to do under current law. Any increase in the per capita assessment over \$0.20 will result in a permissive increase in local expenditures and an increase in the annual state appropriation. Any amount of such increase is dependent on the new level of the per capita assessment imposed on member counties of the MAAG development district.
- Pursuant to Tenn. Code Ann. § 13-3-101(j)(1), planning commissioners are required to attend a minimum of four hours of annual training and continuing education in one or more of the subjects listed under Tenn. Code Ann. § 13-3-101(j)(5).
- Authorized subjects include, but are not limited to: land use planning; zoning; flood plain management; transportation; community facilities; ethics; public utilities; wireless telecommunications facilities; parliamentary procedure; public hearing procedure; land use law; natural resources and agricultural land conservation; economic development; housing; public buildings; land subdivision; and powers and duties of the planning commission.
- This bill would require that one of the four required hours be dedicated to the rights of private property owners and the relationship of those rights to the public planning process. The number of annual training and continuing education hours required to be taken by each planning commissioner will not change. As a result, any fiscal impact to the state or local governments is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Lucian D. Geise, Executive Director

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